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MONTANA LEGISLATIVE HISTORY

Chapter 371 1997

Bill H _____ S 181 Original bill & history ___C

H. Committee on Business & Labor		S. Committee on Business & Industry	
Hearing Date(s) Mar 20	✓C	Hearing Date(s) Jan 29	✓C
Mar 25	✓C	to Feb 11	✓C
_____	___C	_____	___C
_____	___C	_____	___C
Date Out _____	___C		

Did this bill originate in an interim committee? ___Yes ___No

Committee _____ Report _____

1997 LEGISLATIVE HISTORY

The 1997 Montana Legislature has dramatically changed the nature of the legislative minutes. Specifically, the minutes from House committees are extremely sparse in content, offering no substantive information from which to glean legislative intent. The Senate committees' minutes are somewhat fuller in content. Exhibits available from the State Law Library (which may include written statements, attendant information, roll call votes, roll call attendance, a list of public members present, specific action taken on legislative bills, etc.) are included with this request. For information on other exhibits, contact the Montana Historical Society Archives at 444-4774. Exhibits may also be purchased on a CD-ROM from the Montana Legislative Council (444-3064).

Just as in the 1995 legislative session, the House and Senate hearings were recorded. The Historical Society is the depository for the tapes. For information on accessing the tapes, call the archives at 444-4774.

If you have concerns over the format of the 1997 legislative minutes, it is suggested that you contact your state legislators.

	RETURNED TO SENATE		
4/08	SIGNED BY PRESIDENT		
4/08	SIGNED BY SPEAKER		
4/09	TRANSMITTED TO GOVERNOR		
4/11	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 234		
	EFFECTIVE DATE: 04/11/97		

SB 181 INTRODUCED BY HARGROVE *LC1050 DRAFTER: BOHYER*

CLARIFY CERTAIN PROVISIONS RELATING TO RESORT RETAIL ALL-BEVERAGES LICENSES

1/15	INTRODUCED		
1/15	FIRST READING		
1/15	REFERRED TO BUSINESS & INDUSTRY		
1/29	HEARING		
2/12	COMMITTEE REPORT—BILL PASSED AS AMENDED		
2/15	2ND READING PASSED	50	0
2/17	3RD READING PASSED	49	1
	TRANSMITTED TO HOUSE		
2/21	FIRST READING		
2/21	REFERRED TO BUSINESS & LABOR		
3/20	HEARING		
3/25	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
4/03	2ND READING CONCURRED AS AMENDED	56	42
4/05	3RD READING CONCURRED	62	38
	RETURNED TO SENATE WITH AMENDMENTS		
4/09	2ND READING AMENDMENTS CONCURRED	50	0
4/10	3RD READING CONCURRED AS AMENDED	49	1
4/15	SIGNED BY PRESIDENT		
4/16	SIGNED BY SPEAKER		
4/16	TRANSMITTED TO GOVERNOR		
4/23	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 371		
	EFFECTIVE DATE: 07/01/97		

SB 182 INTRODUCED BY HERTEL, ET AL. *LC0876 DRAFTER: PETESCH*

REVISE AND CLARIFY LAWS RELATING TO RAILROADS

1/15	INTRODUCED		
1/15	FIRST READING		
1/15	REFERRED TO HIGHWAYS & TRANSPORTATION		
1/23	HEARING		
1/30	COMMITTEE REPORT—BILL PASSED AS AMENDED		
2/05	2ND READING PASSED	49	1
2/06	3RD READING PASSED	49	0
	TRANSMITTED TO HOUSE		
2/07	FIRST READING		
2/07	REFERRED TO TRANSPORTATION		
3/10	HEARING		
3/12	COMMITTEE REPORT—BILL CONCURRED		
4/03	2ND READING CONCURRED	98	0
4/04	3RD READING CONCURRED	99	0
	RETURNED TO SENATE		
4/08	SIGNED BY PRESIDENT		
4/08	SIGNED BY SPEAKER		
4/09	TRANSMITTED TO GOVERNOR		

SB BILL NO. 181

INTRODUCED BY Hargrove

A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING CERTAIN PROVISIONS RELATING TO RESORT RETAIL ALL-BEVERAGES LICENSES; ESTABLISHING THAT A RESORT AREA, FOR THE PURPOSES OF A RESORT RETAIL ALL-BEVERAGES LICENSE, MAY NOT INCLUDE LAND OR IMPROVEMENTS LYING WITHIN THE BOUNDARIES OF AN INCORPORATED CITY OR TOWN; CLARIFYING THE MEANING OF THE TERMS "CONTROL" AND "RESORT AREA" FOR THE PURPOSES OF RESORT RETAIL ALL-BEVERAGES LICENSES; CLARIFYING HEARING NOTICE REQUIREMENTS FOR THE PURPOSES OF RESORT RETAIL ALL-BEVERAGES LICENSES; AND AMENDING SECTION 16-4-202, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 16-4-202, MCA, is amended to read:

"**16-4-202. Resort retail all-beverages licenses.** (1) It is the intent and purpose of this section to encourage the growth of quality recreational resort facilities in undeveloped areas of the state and to provide for the orderly growth of existing recreational sites by the establishment of resort areas within which retail all-beverages licenses may be issued by the department under the terms ~~and as more particularly prescribed below~~ of this section. In addition to the licenses ~~as otherwise~~ set forth in this code, the department may issue resort retail all-beverages licenses in a resort area.

(2) (a) For the purposes of this section, ~~a resort area is defined as~~ "resort area" means a recreational facility meeting the qualifications determined by the department and as ~~hereinafter~~ otherwise provided in this section.

(b) The term does not include any land or improvements that lie wholly or partially within the boundaries of an incorporated city or town.

(3) The department shall determine that the area for which licenses are to be issued is a resort area~~, such determination to be made under and~~ pursuant to rules ~~to be first promulgated on or before December 31, 1975~~.

(4) (a) In addition to the other requirements of this code, a resort area, for the purposes of qualification for the issuance of a resort retail all-beverages license, must:

(i) have a current actual valuation of resort or recreational facilities, including land and improvements ~~thereon~~, of not less than $500,000, at least half of which valuation must be for a structure or structures within the resort area~~,~~; and ~~must~~

(ii) be under the sole ownership or control of one person or entity at the time of the filing of the resort area plat referred to in subsection (5) ~~of this section~~.

(b) ~~The word~~ For the purposes of this section, "control" ~~shall mean lands~~ means land or improvements that are owned or that are held under contract, lease, option, or permit.

(5) The resort area must be determined by the resort area developer or landowner by a plat setting forth the resort area boundaries~~,~~ and designating the ownership of the lands within the resort area~~, which~~. The plat must be verified by the resort area developer or landowner and filed with the department prior to the filing of any applications ~~by individuals~~ for resort retail all-beverages licenses within the resort area. ~~Such~~ The plat must show the location and general design of the buildings and other improvements existing or to be built in ~~said~~ the resort area ~~in which resort retail all beverages licenses are to or may be located~~. A master plan for the development of the resort area may be filed by the resort area developer in satisfaction of this section.

(6) ~~Upon such filing~~ Within 7 days after the plat is filed, the department shall ~~forthwith~~ schedule a public hearing to be held in Helena, Montana, to determine whether the facility proposed by the resort area developer or landowner is a resort area ~~within the meaning of the rules of the department~~. At least 30 days prior to the date of the hearing, the department shall publish notice ~~thereof, with a description of the location of the proposed resort area,~~ of the hearing in a newspaper published in the county or counties in which the resort area is located, once a week for 4 consecutive weeks. The notice must include a description of the proposed resort area. Each resort area developer or landowner shall, at the time of filing ~~his~~ an application, pay to the department an amount sufficient to cover the costs of ~~said~~ publication.

(7) ~~Persons~~ Any person may present ~~statements~~, in person or in writing, a statement to the department at the hearing ~~in person or in writing~~ in opposition to or support of the plat.

(8) Within 30 days ~~of~~ after the hearing, the department shall accept or reject the plat. If the plat is rejected, the department ~~must~~ shall state its reasons and set forth the conditions, if any, under which the plat will be accepted~~, and the~~. The decision of the department may be reviewed pursuant to the review procedure set forth in 16-4-406.

(9) Once filed with the department, the boundaries of a resort area may not be changed without

~~full~~:

(a) a hearing, noticed and conducted in the same manner as ~~above~~ provided in subsections (6) and (7); and

(b) the prior approval of the department, ~~which approval shall be~~ determined according to public convenience and necessity.

(10) (a) When the department has accepted a plat and a given resort area has been determined, applications may ~~then~~ be filed with the department by persons for the issuance of resort retail all-beverages licenses within the resort area.

(b) Each applicant ~~must~~ shall submit plans showing the location, appearance, and floor plan of the premises for which application for a resort retail all-beverages license is made.

(c) If an applicant otherwise qualifies for a resort retail all-beverages license but the premises to be licensed are still in construction or are otherwise incomplete at the time ~~of such~~ that application is made, the department shall issue a letter stating that the license will be issued at ~~such~~ the time ~~as~~ that the qualifications for a licensed premises have been met, setting forth ~~such~~ specific time limitations and requirements as the department may establish.

(11) In addition to the restrictions on sale or transfer of a license as provided in 16-4-204 and 16-4-404, ~~no~~ a resort retail all-beverages license may not be sold or transferred for operation at a location outside of the boundaries of the resort area.

(12) A resort retail all-beverages license ~~shall~~ is not ~~be~~ subject to the quota limitations set forth in 16-4-201, and if the requirements of this section have been met, a resort retail all-beverages license ~~shall~~ must be issued by the department on the basis that the department has determined that ~~such~~ the license is justified by public convenience and necessity, in accordance with the procedure required in 16-4-207."

NEW SECTION. **Section 2. Saving clause.** [This act] does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before [the effective date of this act].

-END-

MINUTES

MONTANA SENATE
55th LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & INDUSTRY

Call to Order: By **CHAIRMAN JOHN HERTEL**, on January 29, 1997, at 9:00 A.M., in ROOM 410.

ROLL CALL

Members Present:
Sen. John R. Hertel, Chairman (R)
Sen. Steve Benedict, Vice Chairman (R)
Sen. Debbie Bowman Shea (D)
Sen. William S. Crismore (R)
Sen. C.A. Casey Emerson (R)
Sen. Bea McCarthy (D)

Members Excused: None

Members Absent: None

Staff Present: Bart Campbell, Legislative Services Division
Mary Gay Wells, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:
Hearing(s) & Date(s) Posted: SB 169; SB 181; HB 16; 1/20/97
Executive Action: SB 113; SB 118; HB 16
SB 111 & SB 112 TABLED

HEARING ON SB 181

{Tape: 1; Side: A; Approx. Time Count: 9:03 AM; Comments: N/A.}

Sponsor: SENATOR DONALD HARGROVE, SD 16, BOZEMAN

Proponents: Mike Garrity, Attorney, Bozeman, West Yellowstone Tavern Owners
Harry W. Klock, President, MT Tavern Assoc.
Bill Howell, West Yellowstone Conference Hotel
Clyde Seeley, Three Bear Lodge
Chuck Bostrom, Superintendent of School District 69, West Yellowstone, MT
Timothy Daley, citizen

Glenn Lumis, Mayor, West Yellowstone

David Owen, MT Chamber of Commerce
Mike Schulz, MT Innkeepers Assoc.
Jack Strozzi, West Yellowstone
Keith Colbo, MT Tourism Coalition
Veretta Steele, West Yellowstone

Opponents: **Pat Donovan, Whitefish, MT Capital Partners, Inc.**

Opening Statement by Sponsor:

SENATOR DONALD HARGROVE, SD 16, BOZEMAN. The sponsor told the committee the history and title of the bill was self-explanatory. In the 1970's when the Big Sky was being developed by Chet Huntley and the Chrysler Corporation, there was a need to have liquor and all-beverage licenses in that rural area, which did not have the populations for quotas. In Montana Code 16-4-202, current law states the intent and purpose of the resort licensing to encourage the growth of quality recreational resort facilities in undeveloped areas of the state. The law requested a current actual evaluation of resort and recreational facilities including land improvements thereon of not less that $500,000, at least half of which valuation much be for a structure within the resort area. He stated current house valuations are above the $250,000 on an average. The law also said the beverage license not be subject to the quota limitations set forth in 16-4-201. Further, the Department of Revenue had within its authority to develop some rules, which said the resort area, as determined by the Department, included establishments whose business and operations were designed to attract and accommodate visitors to a recreational development, whose primary purpose was not the sale of alcoholic beverages. Clearly, he said, they were thinking of ski resorts, pool halls and bowling alleys. A resort area means a site in Montana consisting of 15 or more contiguous acres where recreational development is located. Another definition said the resort area must have restaurant accommodations with seating capacity with tables for at least 100 persons. An applicant seeking an all-beverage license for an establishment serving only alcoholic beverages must have seating capacity for 50. The law, based on history and definition, he said, clearly had the intent of being in undeveloped areas. There were compelling reasons for the body to look at the whole basis of quotas and liquor licensing with gambling. As a bare minimum, it was the intent of licenses in undeveloped areas to be within city limits. There were some in the state, he stated, with some applications pending, which would not be affected by this bill. A resort area, for these purposes, may not include land or improvements lying within the corporate boundaries of an incorporated city or town. He said it was a way around the quota system.

Proponents' Testimony: **Mike Garrity, attorney, Bozeman, West Yellowstone Tavern Owners. (EXHIBIT 1)**

Harry W. Klock, President, Montana Tavern Association. (EXHIBIT 2)

Bill Howell, West Yellowstone Conference Hotel. (EXHIBIT 3)

Clyde G. Seeley, Three Bear Lodge. (EXHIBIT 4)

Chuck Bostrom, Superintendent of School District 69, West Yellowstone, Montana. He spoke for the school children in his district, saying more sites would be available for alcohol access, hence, alcohol abuses. Assessed valuation of property skyrocketed in Deadwood, S.D., increasing local school revenues; however, special education went from 20 to 40. Local people had been forced to 2-3 families per house. There were more negative aspects to the student if the bill were not passed.

Timothy Daley, represented himself. He supported the bill, which clarified the statutory provisions relating to the establishment of designated resort areas within which, all-beverage licenses may be issued. He called attention to paragraph 1 of Section 16-4-2-2, which encourages the growth of quality recreational facilities in undeveloped areas of the state. The Dept. of Revenue had taken the position since 16-4-202 did not define undeveloped areas of the state, and had no prohibition to the resort being located within the boundaries of an incorporated city or town. He said the logic was faulty in that unoccupied was not necessarily undeveloped. An attempt was underway for a resort to be located complete within the corporate limits. No limits would be imposed on how many liquor licenses of this type would be allowed because the resort area would not be subject to the quota system, which in itself, might be endangered. He encouraged support of the bill and the quota system.

Glenn Lumis, Mayor of West Yellowstone, spoke for himself. He said the town had been asked to annex additional land into the city limits which included zoning, covenant, plan procedures and other safeguards, ensuring beneficial development. Suddenly a cloud of all-beverage licenses available to a resort community in an undeveloped area came to them and upset their prior plans if granted. He felt that impacts on schools, police departments, sewer and water systems were unreasonable. Advance planning would become unrealistic.

David Owen, Montana Chamber of Commerce, asked the committee to reverse the question in deliberation: Would you pass a bill that would construct the opportunity that has been discovered? or Would you approve a bill which would allow resorts to be defined within city limits? He stated if the Committee would not do such a thing as an intentional act, SB 181 would give an opportunity to not allow it as an unintentional act and they would support that.

Mike Schulz, Montana Innkeepers Association, said they supported SB 181 in theory; however, there needed to be a clarification of

the meaning, "resort area." He urged the Committee to take a broader view than SB 181 suggested -- resort area designations should be reserved for a true resort development, not just an attraction. Montana Innkeepers Association urged the adoption of stringent requirements which clearly defined a resort area as a minimum of 100 acres for recreation under the ownership of one person or entity. **Mr. Schulz** also said the current minimum actual valuation for the facilities, land and improvements should be raised from a minimum of $500,000 to $5 to 10 million, adding resort areas should be of the magnitude to generate economic bases in and of themselves, and not be merely added attractions. He urged support for SB 181.

Jack Strozzi, West Yellowstone, expressed support for SB 181 for all the reasons already stated. **(EXHIBIT 5)**

Keith Colbo, Montana Tourism Coalition, said they stood in support of SB 181.

Veretta Steele, West Yellowstone, said she was a native Montanan and had invested her life's savings into her restaurant and bar business, so she felt strongly about the passing of SB 181. She said she did not like the idea of an out-of-state person(s) coming into her town to make a large development and put her out of business because of the acceleration of property values. She asked if Montana was the Last Best Place for outside developers, and would that make it necessary for native Montanans to leave the state. She used the example of Big Sky being overdeveloped, explaining a person who had moved to Montana was complaining because development took place due to the establishment of a resort liquor license. **Ms. Steele** urged DO PASS for SB 181.

The following **Proponents** left written testimony:

Mike Klostrich, representing himself (EXHIBIT 6)
Dixie Klostrich, representing herself (EXHIBIT 7)
Marcia Gray, Totem Restaurant & Lounge, West Yellowstone, (EXHIBIT 8)
Rene Brisbin, West Yellowstone, (EXHIBIT 9)
John Costello, West Yellowstone, (EXHIBIT 10)
Howard McCray, Two Top Motel, West Yellowstone (EXHIBIT 11)
Randy Roberson, West Yellowstone, (EXHIBIT 12)
Gayle Mansfield, West Yellowstone, (EXHIBIT 13)
Tim Whitman, representing himself (EXHIBIT 14)
Jerry Johnson, representing himself (EXHIBIT 15)
Maarten W. Schaap, West Yellowstone (EXHIBIT 16)
Pierre Martineau, West Yellowstone (EXHIBIT 17)
Joe Eagle, West Yellowstone (EXHIBIT 18)
Grey Bryan, Whitefish (EXHIBIT 19)

{Tape: 1; Side: A; Approx. Time Count: 9:43 a.m.; Comments: N/A.}

Opponents' Testimony:

Pat Donovan, Whitefish, Montana Capital Partners, Inc., said his company was formed to bring investment capital to Montana for quality developments and he was working as a local partner in the Iron Horse Golf Course Resort development in Whitefish. He said the property was between Whitefish and Big Mountain Ski Resort, i.e. partially in the city limits and partially outside. He said in 1991 local landowners formed a partnership to seek entitlement to develop the Resort and he anticipated the finished product to be among the finest quality developments in the Northwest. He said one of the key elements in the development was the acquiring of a resort liquor license under existing legislation. **Mr. Donovan** said the company had spent over $4 million to date for design approval, road construction, golf course clearing and drainage control structures. He estimated the cost of infrastructure and golf course without any home construction to be about $40 million, and cost of residential construction to be over $150 million. He informed the Committee approval for this project had been granted by both the city of Whitefish and Flathead County with a number of conditions which were in direct conflict with SB 181, listing one being the condition of mandating that the project be annexed to the city of Whitefish upon completion of each phase of infrastructure. He explained it was in direct conflict with SB 181, Provision 2 (b). He outlined three direct benefits of the Resort being a part of Whitefish: (1) The appraised value of the property would be in excess of $150 million which would result in an increase of the tax base for Whitefish of over $500,000, with an additional $1.4 million for schools; (2) The 1995 legislature enabled Whitefish to pass a 2% city resort tax and his Resort would pay this tax if it was located within the city limits; (3) By being within the city limits, the Resort had the opportunity to connect to the city sewer facilities which was crucial to maintaining the low impact, environmental friendly proposal they presented to the City Council. **Mr. Donovan** said the Resort was anticipated to have a golf club house with dining, pool with snack bar, small executive conference facility which would cater meals and perhaps two snack shacks on the golf course -- a potential of five liquor licenses, which could come with a price tag of $2 million, if the licenses were available. **Mr. Donovan** summarized by saying the Resort was well down the road to construction, had committed to the city of Whitefish in reliance on existing legislation and had fully disclosed their plans to Whitefish which had been approved by the city. He said the passing of SB 181 could deal a serious economic blow to their project and he suggested if the Committee wanted to pass SB 181, it should be amended to contain language which would protect projects to bring exactly the kind of resort investment envisioned when the legislation was first acted in 1975.

{Tape: 1; Side: B; Approx. Time Count: 9:45 a.m.; Comments: N/A.}

Questions From Committee Members and Responses:

SEN. STEVE BENEDICT asked **Pat Donovan** if his group had applied for any liquor licenses and was told they had not because they had not yet arrived at the stages of development asked for in the applications. **Mr. Donovan** said the attorneys would be deciding what was appropriate and his company was going in for financing and did not want any complications. **SEN. BENEDICT** suggested it would be prudent to have an application in when lining up the financing because the savings clause in SB 181 would mitigate any problems because it was in progress. **Mr. Donovan** said their attorney advised it was okay if the application was complete in every way and was accepted. He said they were advised if the application was denied, reapplication could be very difficult; their concern was SB 181 placed a tremendous burden on them and a change in language could solve the same problem make it legal for them to have a resort liquor license. **SEN. BENEDICT** referred to New Section 2, Page 3, and asked if the savings clause would protect the developer represented by Pat Donovan if he even filed an application. **Gary Blewett, Administrator of Liquor Division, Department of Revenue,** said he believed it would, but supposed it would be arguable at what point the proceeding was in progress, explaining if the application was not completed, it would be returned as incomplete which would make it as though nothing had begun. **SEN. BENEDICT** commented "proceeding begun" did not sound as though the application had to be complete. **Mr. Blewett** still affirmed it was open to legal interpretation.

SEN. BEA MCCARTHY asked **Mike Schulz** if he had discussed his amendments with the sponsor, was told he had and they agreed it would be better to define what a resort was; however, they still felt a resort should not be within the city limits, though the Innkeepers Association thought it was more important to determine what a resort was than to decide whether it was inside the city limits.

SEN. MCCARTHY asked when the resort in Polson was given the license. **Pat Garrity** said the resort area was determined on February 7, 1992, and the license was issued May 29, **(tape garbled)**

SEN. CASEY EMERSON said it seemed to him if SB 181 passed, the land outside the city could be developed as a resort and then it would be taken into the city. **SEN. DON HARGROVE** said they could do that now, and added the question was fraught with loopholes. He suggested an interim study would be appropriate.

SEN. MCCARTHY said Whitefish declared itself a resort area in order to be able to use the sales tax within the community area and wondered why that did not carry over to the liquor license. **SEN. HARGROVE** said it was not the intent of the original law -- it was just for one purpose.

SEN. BENEDICT asked if language could be added to the savings clause, after " or proceedings that were begun before" which would be to the effect "an application for a liquor license, even if the application was returned as incomplete if the applicant reapplies". He explained it would designate something started in the process, even though returned, would be included. **Pat Donovan** said tweaking like that was what they wanted; it was discussed earlier but they wondered if it would be possible for others to tweak with it also. **SEN. BENEDICT** commented **Pat Donovan** was not so much an opponent of SB 181 as a proponent of "let us in first." **Mr. Donovan** said he was an opponent of something which would put them out of compliance with the law.

SEN. JOHN HERTEL asked **SEN. DON HARGROVE** if had visited with Mike Schulz regarding his amendments and was told there were so many possibilities, suggestions and questions that SB 181 should continue to be a simple, easily defined bill with no amendments other than to give an immediate effective date.

Closing by Sponsor:

SEN. HARGROVE said everything had been discussed and he felt the Committee clearly understood the intent of SB 181 and it was appropriate for consideration; however, our capitalistic system almost required people who were after dollars to try to circumvent the law. He asked a DO PASS for SB 181.

{Tape: 1; Side: B; Approx. Time Count: 10:14 a.m.; Comments: N/A}

HEARING ON HB 16

Sponsor: **REP. ROBERT "BOB" PAVLOVICH, HD 37, Butte**

Informational Testimony: **Janet Jessup, Administrator, Gambling Control Division**

Opening Statement by Sponsor:

REP. ROBERT "BOB" PAVLOVICH, HD 37, Butte, said HB 16 required licensure of a person selling sports tab games, which were used in place of a 100-square board and were really found only in the Butte and Anaconda area. He said in 1991, they were made legal and the manufacturers and license fee was $50 and $100, which was fine at the time. He said the original manufacturer quit and they could not find a replacement because the fee was $1,500 and there was a tax collection. **REP. PAVLOVICH** said the $1,500 manufacturers' fee had been eliminated so now the only requirement was to be a distributor in Montana and pay a $100 fee for a distributors' fee. He said if HB 16 passed, they would contact Universal who would begin manufacturing again, but they would have to buy in large quantities. **REP. PAVLOVICH** said the only place they could be sold was in a place which had an all-beverage liquor license, and it was not an expansion of gambling.

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 1
DATE 1-29-97
BILL NO. SB 181

NAME: Michael G. Garrity

ADDRESS: Garrity, Avignone & Banick Law Firm, 504 West Main Street, Bozeman, Montana 59715

HOME PHONE: (406) 586-0369 WORK PHONE: (406) 582-8822

REPRESENTING: West Yellowstone Tavern Owners

APPEARING ON WHICH PROPOSAL? Senate Bill No. 181

DO YOU: SUPPORT X OPPOSE _____ AMEND _____

COMMENTS:

The passage of Senate Bill No. 181 is necessary to ensure that the valid intent and purpose of resort area determinations and the issuance of resort all-beverages licenses is not circumvented by establishing resort areas within incorporated cities and towns. Section 16-4-202, MCA was enacted to establish resort areas and make available Resort All-Beverages Licenses without quota limitations to encourage the growth of quality recreational resort facilities in undeveloped areas of the state.

The opponents of Senate Bill No. 181 seek to use the resort area determination and the issuance of Resort All-Beverages Licenses to defeat the quota limitations on all-beverages licenses within incorporated cities and towns. For example, if there are no available all-beverages licenses within an incorporated city/town quota area, the opponents of Senate Bill No. 181 would seek to establish resort areas within incorporated cities and towns to make Resort All-Beverages Licenses available where no all-beverages licenses are currently available.

Another reason why the opponents of Senate Bill No. 181 seek to establish resort areas and the issuance of Resort All-Beverages Licenses within the incorporated cities and towns quota areas is to secure the necessary Resort All-Beverages Licenses not now available in order to obtain Gambling Operator Licenses and conduct gambling machine licensed businesses. This increased number of gambling machine licensed businesses similarly defeats the quota of gambling operator licenses established as a result of gambling operator licenses being issued to all-beverages and on-premise consumption beer/wine licensed businesses.

The Town of West Yellowstone is an example of a Resort Area Determination defeating the quota for all-beverages licenses in a corporate city quota area. The quota for all-beverages licenses in West

Continued on attached page

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

Yellowstone is two (2). Currently there are eight (8) all-beverages licenses issued. The Liquor Division recently denied an Application for Resort Area Determination where the resort area is located entirely within the corporate city limits of the Town of West Yellowstone. If the Liquor Division granted the Application, the West Yellowstone corporate city quota area would be subject to the issuance of resort all-beverages licenses without any quota restrictions. Similarly, the West Yellowstone corporate city quota area would be subject to the issuance of Gambling Operator Licenses in the resort area without any quota restrictions.

The passage of Senate Bill No. 181 will not adversely affect any of the resort areas that have previously been established by the Department of Revenue.

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 2
DATE 1-29-97
BILL NO. SB 181

NAME HARRY W. KLOCK

ADDRESS Box 452 HARLOWTON, MT. 59036

HOME PHONE 632-4139 WORK PHONE 632-4621

REPRESENTING MONT. TAVERN ASSC.

APPEARING ON WHICH PROPOSAL? S.B. 181

DO YOU: SUPPORT X OPPOSE _____ AMEND _____

COMMENTS:

THE BOARD OF DIRECTORS OF THE MTA SUPPORT THE PASSAGE OF S.B. 181. I AM THE PRES. OF MTA AND AM CARRYING THEIR MESSAGE.

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.Fil

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 3
DATE 1-29-97
BILL NO SB 181

NAME Bill Howell

ADDRESS P.O. Box 337, West Yellowstone, MT 59758

HOME PHONE 406-646-7475 WORK PHONE 406-646-9636/7365

REPRESENTING West Yellowstone Conference Hotel

APPEARING ON WHICH PROPOSAL? Senate Bill No. 181

DO YOU: SUPPORT XXX OPPOSE _____ AMEND _____

COMMENTS:

See attached:

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

TESTIMONY IN SUPPORT OF SENATE BILL NO. 181

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, MY NAME IS BILL HOWELL AND I AM FROM WEST YELLOWSTONE, MONTANA. I AM HERE TODAY TO TESTIFY IN SUPPORT OF SENATE BILL NO. 181, WHICH HAS BEEN INTRODUCED TO CLARIFY THE STATUTORY PROVISIONS WHICH DETERMINE WHERE A RESORT AREA CAN BE LOCATED. MONTANA CODE, SECTION 16-4-202 SAYS "...TO ENCOURAGE THE GROWTH OF QUALITY RECREATIONAL RESORT FACILITIES IN UNDEVELOPED AREAS OF THE STATE AND TO PROVIDE FOR THE ORDERLY GROWTH OF EXISTING RECREATIONAL SITES BY THE ESTABLISHMENT OF RESORT AREAS WITHIN WHICH RETAIL ALL-BEVERAGES LICENSES MAY BE ISSUED..." SENATE BILL NO. 181 AMENDS SECTION 16-4-202 TO SPECIFY THAT A RESORT AREA "...DOES NOT INCLUDE ANY LAND OR IMPROVEMENTS THAT LIE WHOLLY OR PARTIALLY WITHIN THE BOUNDARIES OF AN INCORPORATED CITY OR TOWN."

SECTION 16-4-202 LAW WAS ESTABLISHED AND PASSED BY THE 1975 LEGISLATURE AT THE REQUEST OF CHET HUNTLEY, THE ORIGINATOR OF BIG SKY RESORT. I WORKED FOR MR. HUNTLEY AT BIG SKY FROM 1973 UNTIL HIS PASSING IN 1974 AND I CCNTINUED MY EMPLOYMENT THERE UNTIL MID-1975 WHEN I MOVED TO WEST YELLOWSTONE. I WAS AT BIG SKY WHEN HUNTLEY ORIGINATED AND REQUESTED THIS RESORT AREA ALL-BEVERAGES LICENSE SECTION OF THE CODE. IT WAS NEVER HIS INTENTION, NOR, DO I BELIEVE, THE INTENTION OF THE 1975 LEGISLATURE TO DEFEAT THE QUOTAS FOR ALL-BEVERAGES LICENSES AND ON-PREMISE CCNSUMPTION BEER/WINE LICENSES BY LOCATING RESORT AREAS WITHIN INCCRPORATED CITIES AND TOWNS. UNLESS SENATE BILL NO. 181 IS PASSED, RESORT AREA DETERMINATION CAN HAPPEN IN ANY INCORPROATED TOWN OR CITY CIRCUMVENTING THE LIQUOR LICENSE QUOTA SYSTEM.

I URGE YOUR SUPPORT TO PASS SENATE BILL NO. 181 TO CCRRECT THIS UNINTENDED LOOPHOLE IN SECTION 16-4-202 MONTANA CODE ANOTATED.

THANK YOU VERY MUCH FOR ALLOWING ME TO APPEAR BEFORE YOU TODAY.

Bill Howell

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 4
DATE 1-29-97
BILL NO. SB 181

NAME Clyde G. Seely

ADDRESS Box 1590

HOME PHONE (406) 646-7764 WORK PHONE 646-7353

REPRESENTING Three Bear Lodge

APPEARING ON WHICH PROPOSAL? Senate Bill No. 181

DO YOU: SUPPORT X OPPOSE _____ AMEND _____

COMMENTS:

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

CLYDE G. SEELY
Post Office Box 1590
West Yellowstone, Montana, 59758

Senate Business and Industry Committee
Montana State Senate
Helena , Montana

Dear Chairman and Committee Members: January 29, 1997

My name is Clyde Seely, I own and operate Three Bear Lodge and am part owner in the West Yellowstone Conference Hotel in West Yellowstone. I support Senate Bill 181 for the following reasons:

1) The 1975 Montana Legislation Section 16-4-202 excludes resort areas from the quota limitations on all-beverage licenses. I support this concept in areas not inside corporate city or town quota areas. However, the granting of resort status inside a corporate city or town area does nothing but circumvent the quota system based on population that has worked so well in the past. This places in jeopardy those establishments that are part of that quota system by devaluating their license and business real estate.

2) The resort license applicant is given a distinct advantage over those in the quota system by not having to pay the typical $100,000 to $300,000 for a license while many of the present quota system licensees will be paying principle and interest on their licenses for many years to come.

3) The number of Resort All-Beverage licenses, now prerequisite to obtaining a Gambling Operator License within a resort area, has no limits. Towns within the State could become another Deadwood South Dakota. With the quota system thwarted, crime, drugs, gang activity, educational demands for transients, overcrowding housing, sometimes with two or more families living together, inflated property values, and finally an environment that people actually have to move to get away from. Deadwood was a dying town and opened up gambling to save it. West Yellowstone and the towns and cities in Montana are not dying. But one way to kill what Montana is known for is to circumvent the Liquor and Gambling quotas.

4) The issuance of Resort Status inside the city limits of West Yellowstone will most certainly trigger a second resort application witnin the city. More is not necessarily better. Not in West Yellowstone, not in other towns in the State of Montana.

5) Applicants for resort area determination will argue that adding all beverage licenses to dilute the existing quota system will be controlled by "public convenience and necessity", when in fact the only limiting factor is that the issuance of the license does not adversely affect public health, safety and welfare. We have all seen that "once the foot is in the door", it is easy to keep adding too until the situation is no longer desirable or healthy for the community.

Thank you for considering all the facts which all together can only culminate in the passage of Senate Bill 181.

Clyde G. Seely

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 5
DATE 1-29-97
BILL NO. SB 181

NAME JACK A SPROZZI
ADDRESS B+687 W.G. MONTANA 59758
HOME PHONE _____ WORK PHONE 646-7259
REPRESENTING DUDE Dining Room
APPEARING ON WHICH PROPOSAL? BILL 181
DO YOU: SUPPORT X OPPOSE _____ AMEND _____

COMMENTS:

TO ALLOW A RESORT LIQUOR LICENSE TO BE PLACED IN AN INCORPORATED CITY LIMIT, IN MONTANA COULD AND WOULD ALLOW MORE GAMBLING & LIQUOR LICENSES TO EXIST, WITH NO QUOTA. THIS IS UNACCEPTABLE ~~for~~ WHY HAVE A QUOTA SYSTEM AT ALL.

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.Fil

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 6
DATE 1-29-97
BILL NO. SB 181

NAME Mark Staker

ADDRESS Box 165

HOME PHONE 646-4958 WORK PHONE 646-7703

REPRESENTING Self

APPEARING ON WHICH PROPOSAL?

DO YOU: SUPPORT 181 OPPOSE AMEND

COMMENTS:

I would like to see this bill pass to change forest fire laws in Forest Grove OK for Ted Mathis any Time in the State of Montana

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 7
DATE 1-29-97
BILL NO. SB 181

NAME Dixie Krostich

ADDRESS Box 465

HOME PHONE 646 4958 WORK PHONE 646-7703

REPRESENTING SELF

APPEARING ON WHICH PROPOSAL?

DO YOU: SUPPORT 181 OPPOSE _____ AMEND _____

COMMENTS:

I would like to see this bill pass as it would help clear requirements of licenses in our state particularly resort areas

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 8
DATE 1-29-97
BILL NO. SB 181

NAME Marcia J Gray

ADDRESS 4925 Hart Ln. Helena

HOME PHONE 227.8409 WORK PHONE 646-7630

REPRESENTING Totem Restaurant & Lounge - W. Yellowstone

APPEARING ON WHICH PROPOSAL? SB-181

DO YOU: SUPPORT X OPPOSE _____ AMEND _____

COMMENTS:

I do not believe there was an intent to classify "undeveloped areas" to be within incorporated towns when enacting legislation for Resort All Beverage Licenses.

I feel these licenses are important but to allow same within the boundries of an incorporated City or town would necessitate the complete re-drafting of the quota system as we understand it today.

Sincerely,

Marcia J Gray

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 9
DATE 1-29-97
BILL NO. SB 181

NAME Rene Brisbin

ADDRESS P.O. Box 157, West Yellowstone, MT 59758

HOME PHONE 406-646-4029 WORK PHONE 406-646-7013

REPRESENTING Myself

APPEARING ON WHICH PROPOSAL? SB 181

DO YOU: SUPPORT ✓ OPPOSE _____ AMEND _____

COMMENTS:

I support senate bill 181 because it would not ~~not~~ allow big corporations an unfair advantage over smaller companies. I also support it because the present system is based on quota systems in incorporated cities and with this resort all bar owners license they can put as many licenses within a city. In West Yellowstone there is a potential for two companies to receive these within city limits. There are already 13 licenses existing in a town with a population of about 1200 residents. It would be detrimental to families, children and families. Thank you.

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 10
DATE 1-29-97
BILL NO. SB 181

NAME JOHN H. COSTELLO

ADDRESS P.O. BOX 548, WEST YELLOWSTONE, MT 59758

HOME PHONE 646-7844 WORK PHONE 646-9523

REPRESENTING MYSELF

APPEARING ON WHICH PROPOSAL? SENATE BILL # 181

DO YOU: SUPPORT XXXX OPPOSE _____ AMEND _____

COMMENTS:

Dear Committee Chairperson:

Because of business conflicts, I am unable to offer my comments in person so, in substitution, I offer them in writing.

Right to the point, I am in total support of the revising and amending of Section 16-4-202 MCA. Even though this issue has come to a head by virtue of a request out of West Yellowstone, I believe that amending this particular part of the code is necessary for the whole State of Montana. The intent of the original Bill was good and necessary at the time it was enacted. It seems unfortunate that the original intent has now been subverted to the point totally contrary to the original intent. Who would have ever guessed, at the time of the original enactment, that someone would attempt to use the "resort" provision to obtain an all beverage license(s) within corporate city or town limits of a community in the State of Montana? This obviously was not the intent of the original Bill and should not be construed as such at this point in time. Please exert your influence and wisdom to see that this amendment is passed and clarifying what the original intent was and that it is not questioned in the future. THANK YOU!!!

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 11
DATE 1-29-97
BILL NO. SB 181

NAME HOWARD V. MCCRAY

ADDRESS 520 GIBBON AV. W, YELLOWSTONE MT 59758

HOME PHONE 406-646-9095 WORK PHONE 800-522-7802

REPRESENTING THE TOP MOTEL

APPEARING ON WHICH PROPOSAL? SENATE BILL # 181

DO YOU: SUPPORT V OPPOSE _____ AMEND _____

COMMENTS:

I SUPPORT THE MONT CODE 16 AND SHOULD BE ENFORCED

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 12
DATE 1-29-97
BILL NO. SB 181

NAME Randy Roberson

ADDRESS Box 580 West Yellowstone MT

HOME PHONE 406 646 9661 WORK PHONE 406 646 9353

REPRESENTING _____

APPEARING ON WHICH PROPOSAL? Senate Bill 181

DO YOU: SUPPORT X OPPOSE _____ AMEND _____

COMMENTS:

Senate Bill 181 would close the loop hole in the Currant Resort all beverage licenses. To Allow any additional licenses in west yellowstone would seem to violate the spirit of the rule in which it was created.

Randy Rob

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 13
DATE 1-29-97
BILL NO. SB 181

NAME Gayle Mansfield

ADDRESS P.O. Box 533, West Yellowstone, MT

HOME PHONE 646-7119 WORK PHONE 646-9719

REPRESENTING Self

APPEARING ON WHICH PROPOSAL? SB 181

DO YOU: SUPPORT X OPPOSE _____ AMEND _____

COMMENTS:

The implications and ramifications of not passing SB 181 are enormous. "Undeveloped areas of the state" do not exist with incorporated towns, for incorporated towns provide services and amenities. However, clarification in the Montana Code needs to be made, which SB 181 addresses. Not adopting this bill could make the state liquor license quota system obsolete, thereby endangering and defeating the purpose of this positive measure.

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 14
DATE 1-29-97
BILL NO. SB 181

NAME Tim Whitman

ADDRESS Box 841

HOME PHONE 646-9796 WORK PHONE 646-9317

REPRESENTING Senate Bill 181 Self

APPEARING ON WHICH PROPOSAL?

DO YOU: SUPPORT X OPPOSE _____ AMEND _____

COMMENTS:

I am in favor of Bill 181. The resort legislation was not clearly defined and this will clarify what the original purpose for this was.

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 15
DATE 1-29-97
BILL NO. SB 181

NAME Jerry Johnson

ADDRESS Box 405

HOME PHONE 646-7980 WORK PHONE 646-9317

REPRESENTING SELF

APPEARING ON WHICH PROPOSAL? Senate bill 181

DO YOU: SUPPORT X OPPOSE _____ AMEND _____

COMMENTS:

I support this clarification of section 16-4-202. I believe that the ~~the~~ purpose of this code was to enable business in areas that do not have the population base That ~~to~~ enables them to acquire a liquor license. West Yellowstone is an incorporated town that has the state alloted amount of liquor licenses and the resort permit doesn't pertain ~~to~~ in this situation. I do not feel that resort permits should be used in incorporated towns.

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 16
DATE 1-29-97
BILL NO. SB 181

WEST YELLOWSTONE JAN 26 1996

CHAIRPERSON AND COMMITTEE
SENATE BILL 181

DEAR COMMITTEE

MY NAME IS MAARTEN W SCHAAP AN 18 YEAR RESIDENT OF WEST YELLOWSTONE. I URGE YOU TO HELP PASS SENATE BILL 181 AND PREVENT RESORT STATUS BE GIVEN TO ANYONE NEIGHBORING OR WITHIN OUR CITY LIMITS.

MY FEELINGS ARE THAT IF THIS WAS NOT DONE MY PERSONAL LIFESTYLE WILL BE ALTERED SIGNIFICANTLY. THIS WOULD LIKEWISE AFFECT MY SONS DAUGHTERS AND GRAND CHILDREN.

IT JUST IS NOT A HEALTHY SITUATION, FOR LIQUOR LICENCES TO BE EFFECTIVELY INCREASED BEYOND THEIR PRESENT LIMITS.

SINCERELY

MAARTEN W SCHAAP
501 N HAYDEN
WEST YELLOWSTONE MT. 59758
1 406 646 9002

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 17
DATE 1-29-97
BILL NO. SB 181

NAME PIERRE MARTINSEN

ADDRESS Box 485, W. YELLOWSTONE, MT 59758

HOME PHONE 406 646 7280 WORK PHONE 406 646 7887

REPRESENTING SELF

APPEARING ON WHICH PROPOSAL? _____

DO YOU: SUPPORT x OPPOSE _____ AMEND _____

COMMENTS:

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

Pierre Martineau
326 Madison Ave.
West Yellowstone, Mt 59758

To:
Chairman and Committee Members
Hearing for Senate Bill 181

January 27,1997

Dear Chairman and Committee:

My name is Pierre Martineau. I represent myself, my wife, children and grandchildren who are all citizens of West Yellowstone. I support wholeheartedly the passage of Senate Bill 181. Resort Status should never be granted within a town / city limit. There are good reasons to have a quota system that keeps under control the number of liquor and consequently gaming licenses. A Resort Status application within the town limits is simply a way around the quota system and gives the Resort licensee an unfair advantage, at the same time devaluating the current quota licenses.

I do not want my grandchildren subjected to an unlimited amount of liquor and gambling establishments, with all the clutter and detrimental side affects that too many of these establishments could bring.

Please pass Senate Bill 181

Thank you very much,

Pierre Martineau

EAGLE'S STORE
WEST YELLOWSTONE
MONTANA 59758
PHONE (406) 646-9300

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 18
DATE 1-29-97
BILL NO. SB 181

January 29, 1997

Senate Business and Finance Committe
Helena, MT

Dear Committee Members,

I am writing in support of Senate Bill 181, introduced by Senator Don Hargrove to clarify the location of a resort for the purpose of liquor and gambling licenses. I believe this bill is necessary to protect Montana communities from the misuse of resort area all beverage licenses. While I support the special designation for true resort situations such as Big Sky and Big Mountain, I do not feel this designation is legitimate if the development is within the city limits of an incorporated community. Developments within city limits should fall under the laws and regulations of that community. The state's long standing quota system has worked for many years and should not be undermined by providing a loophole for large developments in communities where the liquor license quota has been reached.

I urge you to pass Senate Bill 181 out of committee and actively work for its approval in the Senate.

Sincerely,

Joe Eagle

Joe Eagle
P. O. Box 280
West Yellowstone, MT

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 19
DATE 1-29-97
BILL NO. SB 181

January 28, 1997

Chairman Hertel & Committee Members :

I am offering this testimony on Senate Bill 181 due to concerns [redacted] about the impact of the legislation on projects that are already underway. This legislation would prevent the issuance of a resort liquor license for a qualifying project if any part of it is located within the boundaries of a city, or incorporated community. I feel this is counter productive for many communities who might wish to develop new resort attractions to stimulate their economy. In Whitefish we are in the midst of a $30-40 million golf development that has planned on a resort license as a corner stone to their development. They have done their research and have created a plan that will meet the current law and have moved methodically ahead, with an intent to apply for the license once the final plat was done. This legislation will significantly effect the viability of this project.

While understanding the intent behind the proposed changes in the current law, we feel that some amendments would address the concerns while not ruling out a community based resort. Three suggestions would be as follows:

1) Increase the acreage minimum required from 15 to 100 acres. This would prevent the small water slide type development from qualifying.

2) Increase the capital valuation minimum from $500,000 to $5,000,0000. This would force the type of resort development that was intended and not just an excuse to get a liquor license by having a small recreational amenity and motel.

3) Further refine the type of amenity to be considered a recreational facility. Facilities that are truly recreation oriented, like golf courses and ski resorts. It is these types of activities that are resort facilities and a resort license is an integral part of the operation, but not the reason for use.

With these amendments and the elimination of the restriction which prohibits any land area that is partially or wholly inside the city limits, the legislation would be more acceptable and fairer to other communities that would welcome a true resort development in their city to increase the tax base. A further thought is that the current bill does not prevent a small resort from qualifying while being situated right across the street from the city limits. The city would miss out on the taxes, not be able to provide services and not be able to include the development in a tax increment district, yet the impact on the liquor license quota would be the same. Changing some of the qualifiers makes more sense than precluding city residence.

Thank you for your consideration of our input.

Greg Bryan
Whitefish, Montana

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 19A
DATE 1-29-97
BILL NO. SB 169

Amendments to Senate Bill No. 169
First Reading Copy

Requested by Senator Toews
For the Committee on Business and Industry

Prepared by Stephen Maly
January 28, 1997

1. Title, line 5 and 6.
Strike: "MEDICAL" on line 5 through "PRACTITIONER" on line 6
Insert: "LICENSED HEALTH CARE PROVIDER"

2. Page 1, line 15.
Strike: "medical practitioner"
Insert: "licensed health care provider"

MONTANA SENATE
1997 LEGISLATURE
BUSINESS AND INDUSTRY COMMITTEE

ROLL CALL DATE 1-29-97

NAME	PRESENT	ABSENT	EXCUSED
WILLIAM CRISMORE	X		
CASEY EMERSON	X		
BEA MC CARTHY	X		
DEBBIE SHEA	X		
STEVE BENEDICT, VICE CHAIRMAN	X		
JOHN HERTEL, CHAIRMAN	X		

SEN:1997
wp.rollcall.man
CS-09

DATE 1-29-97

SENATE COMMITTEE ON Bill

BILLS BEING HEARD TODAY: SB 181, 169, & HB-16

< ■ > PLEASE PRINT < ■ >

Name	Representing	Bill No.	Check One: Support	Oppose
Jonell Rice	Board of R/E Appraisers	169		✓
Bill Howell	Self Wyo. Conference Hotel	181	✓	
Glen Loomis	Self	181	✓	
Clyde Seely	Self Three Bear Lodge Wyo. Conference Hotel	181	✓	
Timothy Daley	Self	181	✓	
Pat Donovan	Whitefish Investors	181		✓
Gloria Hermanson	MT Psych Assoc	169		✓
Michael Hanley	West Yellowstone Tavern Owners	181	✓	
Harry Klock	Mont. Tavern Assc.	181	✓	
Jack Struzzi	Dude Diner Lounge	181	✓	
Maren Guy	Totem Post Lounge	181	✓	
Susanne Zanto	MTSCLS	169		✓
Rene Rasmussen	Silver Spur	181	✓	
Vernelle Steele	Butte Hoot	181	✓	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

REGISTER.F10

DATE 1-29-97

SENATE COMMITTEE ON B & I

BILLS BEING HEARD TODAY: SB 181, SB 169, HB 16

< ■ > PLEASE PRINT < ■ >

Name	Representing	Bill No.	Check One: Support	Oppose
Chuck Boston Box 1371 W. Yellowstone	West Yellowstone School	181	X	
Steve Melby	DOC	169	(info)	
Alec Hansen	MLCT	181	Monitor	
Jim Smith	Pharm. Assoc.	169		X
Teresa Dougherty	MT Dental Hygiene Ass	169		X
David Oakland	MT Chamber of Commerce	181	X	
Keith L. Colbo	MT Tourism Coalition	181	X	
Mike Schaefer	MT Innkeepers	181	X Amended	
R. Perry Eskridge	MT Dept. of Commerce	169		X

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

REGISTER.F10

Questions From Committee Members and Responses:

SEN. CASEY EMERSON asked if pictures are taken of all the back sides of checks as well as the front? **Mr. Gerlach** replied we do the back side of the check only at the request of the customer.

Closing by Sponsor:

SEN. BECK closed. Thank you for a good hearing.

{Tape: 1; Side: A; Approx. Time Count: 9:20 AM; Comments: N/A.}

EXECUTIVE ACTION ON SB 245

Motion/Vote: **SEN. BEA MCCARTHY MOVED DO PASS ON SB 245. The motion CARRIED UNANIMOUSLY.**

EXECUTIVE ACTION ON SB 239

Motion/Vote: **SEN. STEVE BENEDICT MOVED DO PASS ON SB 239. The motion CARRIED UNANIMOUSLY.**

EXECUTIVE ACTION ON SB 181

Motion: **SEN. STEVE BENEDICT MOVED DO PASS ON SB 181.**

Amendments: **SEN. BENEDICT MOVED TO AMEND SB 181 (EXHIBIT 2)**

Discussion: **Mr. Bart Campbell** explained the amendments to the committee. **SEN. BEA MCCARTHY** asked about the Whitefish area. **SEN. WILLIAM CRISMORE** said that the gentlemen from Whitefish had an amendment which basically said that the resort could be partially in the city limits. **SEN. BENEDICT** said that their main concern was the liquor license. **CHAIRMAN HERTEL** asked if they couldn't get a waiver since they have started so much of their resort already? **SEN. BENEDICT** felt that would be a problem in that West Yellowstone people might hurry and get something started up there. **Mr. Campbell** felt that the savings clause may give them some protection, but the question of when did the proceeding begin would become the debatable issue. **Mr. Campbell** suggested that on Page 1, Line 24 where it says "the term does not include any land or improvements that lie wholly or partially within the boundaries" may give some relief if "or partially" were deleted.

Vote on Amendment: **The motion to amend SB 181 CARRIED UNANIMOUSLY.**

Amendment: **SEN. BEA MCCARTHY MOVED TO AMEND SB 181 with the suggestion by Mr. Campbell on Page 1, Line 24 to remove the two words "or partially" (EXHIBIT 2A). The motion to amend SB 181 CARRIED UNANIMOUSLY.**

Motion/Vote: SEN. MCCARTHY MOVED DO PASS SB 181 AS AMENDED. The motion CARRIED UNANIMOUSLY.

{Tape: 1; Side: A; Approx. Time Count: 9:38 AM; Comments: A 6 MINUTE BREAK WAS TAKEN..}

HEARING ON SB 249

Sponsor: **SENATOR BILL WILSON, SD 22, GREAT FALLS.**

Proponents: **Duane Steinmetz, Citizen**
Bob Nault,
John Forkan, MT State Assoc. of Plumbers & Pipefitters
Don Halverson, MT State Assoc. of Plumbers and Pipefitters
Jo Hawkins, Citizen

Opponents: **None**

Opening Statement by Sponsor:

SENATOR BILL WILSON, SD 22, GREAT FALLS. I offer SB 249 for your consideration. In Montana to be a plumber, you must be licensed by the state. In the current statute there exists some confusing language. We are attempting to clarify 37-69-301 by removing the confusing language which has been misinterpreted I believe.

Proponents' Testimony:

Duane Steinmetz, member of the MT State Board of Plumbers. It is a simple clarification. Section 37-69-301 originally was intended for municipalities who didn't have a licensed plumber at their disposal and allows the plumbing board to grant a temporary resolution to that city council for an individual to install into their system. The intent is not longer valid and urge your support of this bill.

Bob Nault, Havre, member of the MT State Board of Plumbers. The present law has language that is either obsolete or conflicts with many of the statutes in the existing law. We would like to clean this up and urge your support.

John Forkan, President, MT State Assoc. of Plumbers and Pipefitters. Our association is in support of SB 249 and ask for your support also. Thank you.

Don Halverson, Vice President, MT State Assoc. of Plumbers and Pipefitters. I ask for your support of SB 249.

Jo Hawkins, Citizen. I would like to support this bill to clarify who can plumb. I will hand in my written testimony **(EXHIBIT 3).**

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 2
DATE 2-11-97
BILL NO. SB 181

Amendments to Senate Bill No. 181
First Reading Copy

For the Committee on Business and Industry

Prepared by Bart Campbell
February 7, 1997

1. Title, line 10.
Strike: "AND"
Following: "MCA"
Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

2. Page 2, line 2.
Strike: "$500,000"
Insert: "$10 million"

Not used

3. Page 2, line 3.
Strike: "and"

4. Page 2, line 5.
Following: "(5)"
Insert: "; and
(iii) contain a minimum of 100 acres of land"

5. Page 3, following line 26.
Insert: "

NEW SECTION. **Section 3. {standard} Effective date.** [This act] is effective on passage and approval."

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 2A
DATE 2-11-97
BILL NO. SB 181

Amendments to Senate Bill No. 181
First Reading Copy

For the Committee on Business and Industry

Prepared by Bart Campbell
February 7, 1997

1. Title, line 10.
Strike: "AND"
Following: "MCA"
Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

2. Page 1, line 24.
Strike: "or partially"

3. Page 2, line 2.
Strike: "$500,000"
Insert: "$10 million"

4. Page 2, line 3.
Strike: "and"

5. Page 2, line 5.
Following: "(5)"
Insert: "; and
(iii) contain a minimum of 100 acres of land"

6. Page 3, following line 26.
Insert: "

NEW SECTION. **Section 3. {standard} Effective date.** [This act] is effective on passage and approval."

Revised amendments.

SENATE STANDING COMMITTEE REPORT

February 11, 1997

MR. PRESIDENT:
We, your committee on Business and Industry having had under consideration Senate Bill 181 (first reading copy -- white), respectfully report that Senate Bill 181 be amended as follows and as so amended do pass.

Signed: John Hertel
Senator John R. Hertel, Chair

That such amendments read:

1. Title, line 10.
Strike: "AND"
Following: "MCA"
Insert: "; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE"

2. Page 1, line 24.
Strike: "or partially"

3. Page 2, line 2.
Strike: "$500,000"
Insert: "$10 million"

4. Page 2, line 3.
Strike: "and"

5. Page 2, line 5.
Following: "(5)"
Insert: "; and
(iii) contain a minimum of 100 acres of land"

6. Page 3, following line 26.
Insert: "

NEW SECTION. **Section 3. Effective date.** [This act] is effective on passage and approval."

-END-

Amd. Coord.
Sec. of Senate

Tonya Ask, Blue Cross-Blue Shield
{Tape: 2; Side: 2; Approx. Time Count: 19.8; Comments: None.}

Gloria Hermanson, MT Psychological Assn.
{Tape: 2; Side: 2; Approx. Time Count: 21.4; Comments: None.}

Corey Laird, MT Catholic Conference. EXHIBIT 18
{Tape: 2; Side: 2; Approx. Time Count: 22.1; Comments: None.}

Rep. Sylvia Bookout, HD 41
{Tape: 2; Side: 2; Approx. Time Count: 23.4; Comments: None.}

Don Allen, MT Medical Assn.
{Tape: 2; Side: 2; Approx. Time Count: 23.8; Comments: None.}

Opponents' Testimony:
Jacqueline Lenmark, American Insurance Assn.
{Tape: 2; Side: 2; Approx. Time Count: 24.1; Comments: None.}

Questions From Committee Members and Responses:
{Tape: 2; Side: 2; Approx. Time Count: 25.6; Comments: None.}

Closing by Sponsor: **Sen. Brooks** closed. **Rep. Bookout** to carry. **EXHIBIT 19 AND 20.**
{Tape: 3; Side: 1; Approx. Time Count: 22.6; Comments: None.}

HEARING ON SB 181

Opening Statement by Sponsor: **Senator Hargrove,** S. D. 16 introduced the bill.
{Tape: 3; Side: 2; Approx. Time Count: 0.1; Comments: None.}

Proponents' Testimony:
Mike Garrity, West Yellowstone Tavern Owner.
{Tape: 3; Side: 2; Approx. Time Count: 6.3; Comments: None.}

Tim Daley, West Yellowstone, MT. EXHIBIT 21.
{Tape: 3; Side: 2; Approx. Time Count: 11.2; Comments: None.}

Bill Howell, West Yellowstone. EXHIBIT 22
{Tape: 3; Side: 2; Approx. Time Count: 17.1; Comments: None.}

Clyde Seeley, West Yellowstone Commissioner. EXHIBIT 23.
{Tape: 3; Side: 2; Approx. Time Count: 17.6; Comments: None.}

Glen Loomis, West Yellowstone EXHIBIT 25
{Tape: 3; Side: 2; Approx. Time Count: 19.9; Comments: None.}

Duke Eggers, West Yellowstone. EXHIBIT 24.
{Tape: 3; Side: 2; Approx. Time Count: 21.2; Comments: None.}

Stuart Doggett, Montana Innkeepers Assn.
{Tape: 4; Side: 1; Approx. Time Count: .01; Comments: None.}

Marie Durkee, MT Tavern Assn.
{Tape: 4; Side: 1; Approx. Time Count: 1.4; Comments: None.}

Greg Bryant, Whitefish, MT Resident
{Tape: 4; Side: 1; Approx. Time Count: 1.5; Comments: None.}

Ashely Daley, West Yellowstone Resident.
{Tape: 4; Side: 1; Approx. Time Count: 4.7; Comments: None.}

Rhetta Steele, restaurant owner West Yellowstone, MT. EXHIBIT 26.
{Tape: 4; Side: 1; Approx. Time Count: 5.5; Comments: None.}

Rene Brisbin, West Yellowstone, MT, EXHIBIT 27.
{Tape: 4; Side: 1; Approx. Time Count: 10.8; Comments: None.}

Opponents' Testimony:None

Questions From Committee Members and Responses:
{Tape: 4; Side: 1; Approx. Time Count: 11.4; Comments: None.}

Closing by Sponsor: **Senator Hargrove** closed. **Rep. Vick** to carry. **EXHIBIT 28.**
{Tape: 4; Side: 2; Approx. Time Count:10.9; Comments: None.}

HEARING ON SB 118

Opening Statement by Sponsor:**Sen Crismore,** S. D. 41 introduced the bill.
{Tape: 4; Side: 2; Approx. Time Count: 15.6; Comments: None.}

Proponents' Testimony:
Kathleen Martin, Chief Communicable Diseases, DPPHS. EXHIBIT 29.
{Tape: 4; Side: 2; Approx. Time Count: 18.0; Comments: None.}

Joan Johnson, Ex. Dir, MT Outfitters and Guides. EXHIBIT 30.
{Tape: 4; Side: 2; Approx. Time Count: 25.9; Comments: None.}

Joan Miles-Lewis and Clark City Health Dept.
{Tape: 5; Side: 1; Approx. Time Count: 3.7; Comments: None.}

Stuart Doggett, MT Innkeepers
{Tape: 5; Side: 1; Approx. Time Count: 5.5; Comments: None.}

Opponents' Testimony: None

Questions From Committee Members and Responses:
{Tape: 5; Side: 1; Approx. Time Count: 6.4; Comments: None.}

EXHIBIT ~~HHR~~ 21
DATE 3/20
SB 181

NAME Timothy DALEY

ADDRESS Box 644

HOME PHONE 646-7539 WORK PHONE 646-9050

REPRESENTING Self

APPEARING ON WHICH PROPOSAL? Senate Bill # 181

DO YOU: SUPPORT X OPPOSE _____ AMEND _____

COMMENTS:

I support Senate Bill # 181 because it more adequately defines the requirements of "Resort Designation" than does the current wording of Section 16-4-202 of the Montana Code Annotated.

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

EXHIBIT 22
DATE 3/20/97
SB 181

NAME Bill Howell

ADDRESS P.O. Box 337, West Yellowstone, MT 59758

HOME PHONE 406-646-7475 WORK PHONE 406-646-9636/7365

REPRESENTING West Yellowstone Conference Hotel

APPEARING ON WHICH PROPOSAL? Senate Bill No. 181

DO YOU: SUPPORT xxx OPPOSE _____ AMEND _____

COMMENTS:

See attached:

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

Bill Howell

TESTIMONY IN SUPPORT OF SENATE BILL NO. 181

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, MY NAME IS BILL HOWELL AND I AM FROM WEST YELLOWSTONE, MONTANA. I AM HERE TODAY TO TESTIFY IN SUPPORT OF SENATE BILL NO. 181, WHICH HAS BEEN INTRODUCED TO CLARIFY THE STATUTORY PROVISIONS WHICH DETERMINE WHERE A RESORT AREA CAN BE LOCATED. MONTANA CODE, SECTION 16-4-202 SAYS "...TO ENCOURAGE THE GROWTH OF QUALITY RECREATIONAL RESORT FACILITIES IN UNDEVELOPED AREAS OF THE STATE AND TO PROVIDE FOR THE ORDERLY GROWTH OF EXISTING RECREATIONAL SITES BY THE ESTABLISHMENT OF RESORT AREAS WITHIN WHICH RETAIL ALL-BEVERAGES LICENSES MAY BE ISSUED..." SENATE BILL NO. 181 AMENDS SECTION 16-4-202 TO SPECIFY THAT A RESORT AREA "...DOES NOT INCLUDE ANY LAND OR IMPROVEMENTS THAT LIE WHOLLY ~~OR PARTIALLY~~ WITHIN THE BOUNDARIES OF AN INCORPORATED CITY OR TOWN."

SECTION 16-4-202 LAW WAS ESTABLISHED AND PASSED BY THE 1975 LEGISLATURE AT THE REQUEST OF CHET HUNTLEY, THE ORIGINATOR OF BIG SKY RESORT. I WORKED FOR MR. HUNTLEY AT BIG SKY FROM 1973 UNTIL HIS PASSING IN 1974 AND I CONTINUED MY EMPLOYMENT THERE UNTIL MID-1975 WHEN I MOVED TO WEST YELLOWSTONE. I WAS AT BIG SKY WHEN HUNTLEY ORIGINATED AND REQUESTED THIS RESORT AREA ALL-BEVERAGES LICENSE SECTION OF THE CODE. IT WAS NEVER HIS INTENTION, NOR, DO I BELIEVE, THE INTENTION OF THE 1975 LEGISLATURE TO DEFEAT THE QUOTAS FOR ALL-BEVERAGES LICENSES AND ON-PREMISE CONSUMPTION BEER/WINE LICENSES BY LOCATING RESORT AREAS WITHIN INCORPORATED CITIES AND TOWNS. UNLESS SENATE BILL NO. 181 IS PASSED, RESORT AREA DETERMINATION CAN HAPPEN IN ANY INCORPROATED TOWN OR CITY CIRCUMVENTING THE LIQUOR LICENSE QUOTA SYSTEM.

I URGE YOUR SUPPORT TO PASS SENATE BILL NO. 181 TO CORRECT THIS UNINTENDED LOOPHOLE IN SECTION 16-4-202 MONTANA CODE ANOTATED. THANK YOU VERY MUCH FOR ALLOWING ME TO APPEAR BEFORE YOU TODAY.

Bill Howell

CLYDE G. SEELY
Post Office Box 1590
West Yellowstone, Montana, 59758

EXHIBIT 23
DATE 3/20/97
SB 181

House Labor and Industry Committee
Montana State House of Representatives
Helena , Montana

Dear Chairman and Committee Members: January 29, 1997

My name is Clyde Seely, I own and operate Three Bear Lodge and am part owner in the West Yellowstone Conference Hotel in West Yellowstone. I support Senate Bill 181 for the following reasons:

1) The 1975 Montana Legislation Section 16-4-202 excludes resort areas from the quota limitations on all-beverage licenses. I support this concept in areas not inside corporate city or town quota areas. However, the granting of resort status inside a corporate city or town area does nothing but circumvent the quota system based on population that has worked so well in the past. This places in jeopardy those establishments that are part of that quota system by devaluating their license and business real estate.

2) The resort license applicant is given a distinct advantage over those in the quota system by not having to pay the typical $100,000 to $300,000 for a license while many of the present quota system licensees will be paying principle and interest on their licenses for many years to come.

3) The number of Resort All-Beverage licenses, now prerequisite to obtaining a Gambling Operator License within a resort area, has no limits. Towns within the State could become another Deadwood South Dakota. With the quota system thwarted, crime, drugs, gang activity, educational demands for transients, overcrowding housing, sometimes with two or more families living together, inflated property values, and finally an environment that people actually have to move to get away from. Deadwood was a dying town and opened up gambling to save it. West Yellowstone and the towns and cities in Montana are not dying. But one way to kill what Montana is known for is to circumvent the Liquor and Gambling quotas.

4) The issuance of Resort Status inside the city limits of West Yellowstone will most certainly trigger a second resort application witnin the city. More is not necessarily better. Not in West Yellowstone, not in other towns in the State of Montana.

5) Applicants for resort area determination will argue that adding all beverage licenses to dilute the existing quota system will be controlled by "public convenience and necessity", when in fact the only limiting factor is that the issuance of the license does not adversely affect public health, safety and welfare. We have all seen that "once the foot is in the door", it is easy to keep adding too until the situation is no longer desirable or healthy for the community.

Thank you for considering all the facts which all together can only culminate in the passage of Senate Bill 181.

Clyde G. Seely

EXHIBIT 24
DATE 3/20/97
SB 181

HOUSE OF REPRESENTATIVES
55TH LEGISLATURE

Business & Labor COMMITTEE

WITNESS STATEMENT

Please Print

NAME Viki D. Eggers BILL NO. SB 181

ADDRESS P.O. Box 975 DATE 3/20/97

WHOM DO YOU REPRESENT? Private Citizen

SUPPORT ✓ OPPOSE _____ AMEND _____

COMMENTS: I support SB 181 for a number of reasons not the least of which is my firm belief that the existing statute never intended for resorts to be established within the boundrys of existing communities. but rather remote or rural areas where they could become improvements rather than liabilities.

W:\DATA\WP\WITNESS.95

EXHIBIT 25
DATE 3/20/97
SB 181

HOUSE OF REPRESENTATIVES
55TH LEGISLATURE

House Business & Industry COMMITTEE

WITNESS STATEMENT

Please Print

NAME Glen H. Loomis BILL NO. S.B. 181

ADDRESS Box 61, West Yellowstone DATE 3/20/97

WHOM DO YOU REPRESENT? My Self

SUPPORT X OPPOSE _____ AMEND _____

COMMENTS: I have served on the Town Council of West Yellowstone for the last 7 years & as Mayor for the last 3 years. The Town annexed a subdivision about 6 years ago. We diligently reviewed proposals & prepared a "development agreement", zoning, etc. We are charged to protect the general safety, health & public well being — therefore we spent hundreds of hours determining impacts — sewer, water, storm drains, police, lighting, parking, etc. Yet, a single determination by the Dept of Revenue that qualifies a 15ac. portion within the Town limits as a "Resort" with unlimited all beverage licenses will have more impacts than anything that has gone on before. Therefore I support passage of this bill.

Thank you, Glen H. Loomis

EXHIBIT 27
DATE 3/20/97
SB 181

HOUSE OF REPRESENTATIVES
55TH LEGISLATURE

_____ COMMITTEE

WITNESS STATEMENT

Please Print

NAME Pere Brisbin BILL NO. SB181

ADDRESS Box 157, West Yellowstone, MT DATE 3-20-97

WHOM DO YOU REPRESENT? Self - Silver Spur Sale

SUPPORT V OPPOSE _____ AMEND _____

COMMENTS: The effect that a resort license determination could have within an incorporated city a many. My concern is an "unlimited" alcoholic beverage licenses within a city. As a parent, I am teaching my children about alcohol and gambling excess and the detremential effects this can have on a family if abused. Alcohol abuse has caused a great tragedy in my family and I do not want to see greater access to children or people with alcohol or gambling addictions. I teach my children control and moderation so by passage of this bill you show them moderation and control also. Thank You.

W:\DATA\WP\WITNESS.95

EXHIBIT 28
DATE 3/20/97
SB 181

HOUSE OF REPRESENTATIVES
55TH LEGISLATURE

Counsel LABOR & Industry COMMITTEE

WITNESS STATEMENT

Please Print

NAME DENNIS LAFEVER BILL NO. SB. 181

ADDRESS P.O. BOX 314 W.Y. MT DATE MARCH 20TH 1997

WHOM DO YOU REPRESENT? Citizen's of WEST YELLOWSTONE

SUPPORT X OPPOSE _____ AMEND _____

COMMENTS:

I believe this is is what has been needed to clear up the Vague language and wording that was written into the original bill. I don't believe that resort classificatrion was ever intended to impact a municipality with such burdens of extra services that have to be provided when it was not originally presented at inital proposal of the development.

W:\DATA\WP\WITNESS.95

EXHIBIT_____
DATE_____
SB_____

NAME Marcia J Gray

ADDRESS 4925 Hart Lane - Helena

HOME PHONE 227-8409 WORK PHONE 646-7630

REPRESENTING Totem Restaurant + Lounge - W. Yellowstone 1972-1997

APPEARING ON WHICH PROPOSAL? SB-181

DO YOU: SUPPORT X OPPOSE _____ AMEND _____

COMMENTS:

When enacting legislation for Resort All Beverage Licenses, I do not believe there was the intent to classify "undeveloped areas" to be within incorporated cities and towns.

I feel these licenses are important but to allow same within the boundries of an incorporated city or town, would necessitate the complete re-drafting of the quota system as we understand it today.

Thank you for your kind attention -

Marcia J Gray

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

EXHIBIT
DATE
SB

HOUSE OF REPRESENTATIVES
55TH LEGISLATURE

House Labor & Industry COMMITTEE

WITNESS STATEMENT

Please Print

NAME Jackie R. LaFever BILL NO. 181

ADDRESS PO Box 314 W.Yellowstone DATE 3-20-97

WHOM DO YOU REPRESENT? Bullwhackers

SUPPORT X OPPOSE _____ AMEND _____

COMMENTS: I feel that this Bill should be passed, because a Resort License was meant for outside a municipality not within city limits.

Also this would create more problems to have a Resort license within city limits, Example: Deadwood is a good example. Poor taste for our historic country

W:\DATA\WP\WITNESS.95

EXHIBIT _____
DATE _____
SB _____

HOUSE OF REPRESENTATIVES
55TH LEGISLATURE

_____ COMMITTEE

WITNESS STATEMENT

Please Print

NAME AISLINN DALEY BILL NO. Senate Bill #181

ADDRESS Box 497 W.Y. MT 59758 DATE 03/20/97

WHOM DO YOU REPRESENT? MYSELF

SUPPORT _____ OPPOSE _____ AMEND _____

COMMENTS: I don't feel resort areas should be allowed within municipalities, where adequate facilities for tourist etc. are provided. By doing such a thing, with no substantial funding is necessary the current establishments assets are adulterated.

W:\DATA\WP\WITNESS.95

EXHIBIT
DATE
SB

NAME: Michael G. Garrity

ADDRESS: Garrity, Avignone & Banick Law Firm, 504 West Main Street, Bozeman, Montana 59715

HOME PHONE: (406) 586-0369 WORK PHONE: (406) 582-8822

REPRESENTING: West Yellowstone Tavern Owners

APPEARING ON WHICH PROPOSAL? Senate Bill No. 181

DO YOU: SUPPORT X OPPOSE _____ AMEND _____

COMMENTS:

The passage of Senate Bill No. 181 is necessary to ensure that the valid intent and purpose of resort area determinations and the issuance of resort all-beverages licenses is not circumvented by establishing resort areas within incorporated cities and towns. Section 16-4-202, MCA was enacted to establish resort areas and make available Resort All-Beverages Licenses without quota limitations to encourage the growth of quality recreational resort facilities in undeveloped areas of the state.

The opponents of Senate Bill No. 181 seek to use the resort area determination and the issuance of Resort All-Beverages Licenses to defeat the quota limitations on all-beverages licenses within incorporated cities and towns. For example, if there are no available all-beverages licenses within an incorporated city/town quota area, the opponents of Senate Bill No. 181 would seek to establish resort areas within incorporated cities and towns to make Resort All-Beverages Licenses available where no all-beverages licenses are currently available.

Another reason why the opponents of Senate Bill No. 181 seek to establish resort areas and the issuance of Resort All-Beverages Licenses within the incorporated cities and towns quota areas is to secure the necessary Resort All-Beverages Licenses not now available in order to obtain Gambling Operator Licenses and conduct gambling machine licensed businesses. This increased number of gambling machine licensed businesses similarly defeats the quota of gambling operator licenses established as a result of gambling operator licenses being issued to all-beverages and on-premise consumption beer/wine licensed businesses.

The Town of West Yellowstone is an example of a Resort Area Determination defeating the quota for all-beverages licenses in a corporate city quota area. The quota for all-beverages licenses in West

Continued on attached page

WITNESS STATEMENT

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

WITNESS.F11

EXHIBIT_____
DATE_____
SB_____

Yellowstone is two (2). Currently there are eight (8) all-beverages licenses issued. The Liquor Division recently denied an Application for Resort Area Determination where the resort area is located entirely within the corporate city limits of the Town of West Yellowstone. If the Liquor Division granted the Application, the West Yellowstone corporate city quota area would be subject to the issuance of resort all-beverages licenses without any quota restrictions. Similarly, the West Yellowstone corporate city quota area would be subject to the issuance of Gambling Operator Licenses in the resort area without any quota restrictions.

The passage of Senate Bill No. 181 will not adversely affect any of the resort areas that have previously been established by the Department of Revenue.

HOUSE OF REPRESENTATIVES

BUSINESS AND LABOR COMMITTEE

ROLL CALL DATE 3/20/97

NAME	PRESENT	ABSENT	EXCUSED
Bruce Simon, Chairman	✓		
Paul Sliter Vice Chairman	✓		
Bob Pavlovich, Vice Chairman	✓		
Joe Barnett	✓		
Rod Bitney	✓		
Sylvia Bookout	✓		
Charles Devaney	✓		
David Ewer	✓		
Kim Gillan	✓		
Billie Krenzler	✓		
Bob Lawson	✓		
Rod Marshall	✓		
Gay Ann Masolo	✓		
Wes Prouse	✓		
Carolyn Squires	✓		
Jay Stovall	✓		
Cliff Trexler	✓		
Joe Tropila	✓		
Carley Tuss	✓		

HOUSE OF REPRESENTATIVES
VISITORS REGISTER

_____ SUB-COMMITTEE DATE _____

BILL NO. SB 181 SPONSOR(S) _____

PLEASE PRINT **PLEASE PRINT** **PLEASE PRINT**

NAME AND ADDRESS	REPRESENTING	Support	Oppose
Marie E Durkee	MT. Tavern Assn	x	
Michael D. Garrett	West Yellowstone Tavern Owners	X	
Carlyle D. Seely	Three Bear Lodge	X	
M A H. Loomis	My Self	X	
Bill Howell	Yellowstone Hots	X	
Dorothy Bailey	THE Grosher	X	
Wisdom J Bailey	THE GUSHER	X	
Viki Eggers	Self	X	
Marcia Gray	Totem-W. Yellowstone	X	
Marcotte Hess	Gusher & Agent Big Western Inn	X	
Rene Brisson	Self - Silver Spur	X	
Jackie R Totten	Bullwinkles	X	
Orvin L. Totten	Bullwinkle's	X	
Jane T Gray	Totem	X	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

Stuart Doggett	MT Innkeepers Assoc.	X
Keith Colbo	MT Tourism Coalition	X

Questions From Committee Members and Responses:
{Tape: 3; Side: 2; Approx. Time Count: 14.7; Comments: None.}

Closing by Sponsor: **Senator Bartlett** closed.
{Tape: 3; Side: 2; Approx. Time Count: 18.5; Comments: None.}

EXECUTIVE ACTION ON SB 316

Motion/Vote: **Rep. Masolo** moved do concur SB 316. Motion carried unanimously. **Rep. Keenan** to carry.
{Tape: 3; Side: 2; Approx. Time Count: 19.7; Comments: None.}

EXECUTIVE ACTION ON SB 304

Motion/Vote: **Rep. Masolo** moved do concur SB 304. Motion carried unanimously. **Rep. Holland** to carry.
{Tape: 3; Side: 2; Approx. Time Count: 20.4; Comments: None.}

EXECUTIVE ACTION ON SB 331

Motion/Vote: **Rep. Gillan** moved do concur SB 331. Motion carried unanimously. **Rep. Sliter** to carry.
{Tape: 3; Side: 2; Approx. Time Count: 21.4; Comments: None.}

EXECUTIVE ACTION ON SB 190

Motion: **Rep. Pavlovich** moved do concur SB 190.
{Tape: 3; Side: 2; Approx. Time Count: 22.0; Comments: None.}

Discussion:
{Tape: 3; Side: 2; Approx. Time Count: 22.3; Comments: None.}

Motion/Vote: **Rep. Ewer** moved to table SB 190. Motion carried. 15-4. **Reps. Pavlovich, Stovall, Krenzler and Gillan** voted no.
{Tape: 4; Side: 1; Approx. Time Count: 3.2; Comments: None.}

EXECUTIVE ACTION ON SB 181

Motion: **Rep. Sliter** moved do concur SB 181.
{Tape: 4; Side: 1; Approx. Time Count: 4.0; Comments: None.}

Discussion:
{Tape: 4; Side: 1; Approx. Time Count: 4.5; Comments: None.}

Motion: Rep. Pavlovich moved to change price to $20,000.00. Pavlovich ruled out of order by Chairman Simon.
{Tape: 4; Side: 1; Approx. Time Count: 5.9; Comments: None.}

Motion: Rep. Stovall moved to adopt Stovall amendment.
{Tape: 4; Side: 1; Approx. Time Count: 6.3; Comments: None.}

Motion/Vote: Rep. Barnett moved to segregate 1 from 2 and 3 (amendments.) Motion on No. 1 carried 13-6. **Reps. Pavlovich, Bookout, Devaney, Tuss, Squires and Tropila** voted no.
{Tape: 4; Side: 1; Approx. Time Count: 9.8; Comments: None.}

Motion: Rep. Sliter moved to substitute Sliter amendments.
{Tape: 4; Side: 1; Approx. Time Count: 15.9; Comments: None.}

Motion: Rep. Lawson moved to segregate Sliter amendments. **Rep. Sliter** withdrew part 1 of Sliter amendment. Motion on part two failed roll call vote 9-10.
{Tape: 4; Side: 1; Approx. Time Count: 17.8; Comments: None.

Discussion:
{Tape: 4; Side: 1; Approx. Time Count: 18.7; Comments: None.}

Motion/Vote: Rep. Ewer moved to adopt Ewer amendment. Motion carried 15-4 roll call vote.
{Tape: 4; Side: 1; Approx. Time Count: 25.9; Comments: None.}

Motion:Rep. Sliter moved do concur as amended.
{Tape: 4; Side: 1; Approx. Time Count: 28.5; Comments: None.}

Motion/Vote: Rep. Lawson moved Lawson amendments. Motion carried 19-0.
{Tape: 4; Side: 2; Approx. Time Count: .2; Comments: None.}

Motion: Rep. Sliter moved do concur as amended.
{Tape: 4; Side: 2; Approx. Time Count: 1.2; Comments: None.}

Discussion:
{Tape: 4; Side: 2; Approx. Time Count: 1.5; Comments: None.}

Motion/Vote: Rep. Krenzler moved Table. Motion failed roll call 8-11.
{Tape: 4; Side: 2; Approx. Time Count: 3.0; Comments: None.}

Motion/Vote: Rep. Simon moved to do concur as amended on reverse vote. Motion carried roll call.
{Tape: 4; Side: 2; Approx. Time Count: 5.4; Comments: None.}

HOUSE STANDING COMMITTEE REPORT

March 25, 1997

Mr. Speaker: We, the committee on **Business and Labor** report that **Senate Bill 181** (third reading copy -- blue) **be concurred in as amended.**

Signed: *Bruce Simon, Chair*

And, that such amendments read: **Carried by: Rep. Vick**

1. Title, lines 10 and 11.
Following: "~~AND~~" on line 10
Insert: "AND"
Following: "MCA"
Strike: the remainder of line 10 through "DATE" on line 11

2. Page 2, line 3.
Strike: "$10 MILLION"
Insert: "$500,000"

3. Page 2, line 7.
Strike: "100"
Insert: "50"

4. Page 3, line 30 through page 4, line 1.
Strike: section 3 in its entirety

-END-

Committee Vote:
Yes 11, No 8.

651500SC.Hgd

HOUSE OF REPRESENTATIVES

ROLL CALL VOTE

BUSINESS AND LABOR COMMITTEE

DATE 3/25/97 BILL NO. SB 181 NUMBER

MOTION: Sliter move to make 25 Rev SB 181 pass two of his proposal - 9-9 to Kill

NAME	AYE	NO
Bruce Simon, Chairman	X	
Paul Sliter, Vice Chairman	X	
Bob Pavlovich, Vice Chairman		X
Joe Barnett		X
Rod Bitney	X	
Sylvia Bookout		X
Charles Devaney		X
David Ewer	X	
Kim Gillan		X
Billie Krenzler	X	
Bob Lawson		X
Rod Marshall	X	
Gay Ann Masolo		X
Wes Prouse	X	
Carolyn Squires		X
Jay Stovall	X	
Cliff Trexler	X	
Joe Troplia		X
Carley Tuss		X

HOUSE OF REPRESENTATIVES

ROLL CALL VOTE

BUSINESS AND LABOR COMMITTEE

DATE 3/25/97 BILL NO. SB 181 NUMBER

MOTION: Ewe Amendment to change acres to 50 Acres 15-4

NAME	AYE	NO
Bruce Simon, Chairman	X	
Paul Sliter, Vice Chairman	X	
Bob Pavlovich, Vice Chairman		X
Joe Barnett		X
Rod Bitney	X	
Sylvia Bookout	X	
Charles Devaney	X	
David Ewer	X	
Kim Gillan	X	
Billie Krenzler	X	
Bob Lawson	X	
Rod Marshall	X	
Gay Ann Masolo	X	
Wes Prouse	X	
Carolyn Squires		X
Jay Stovall	X	
Cliff Trexler	X	
Joe Troplia		X
Carley Tuss	X	

HOUSE OF REPRESENTATIVES

ROLL CALL VOTE

BUSINESS AND LABOR COMMITTEE

DATE _____ BILL NO. _____ NUMBER _____

MOTION: Kreglow moves to table SB 181

8-11

NAME	AYE	NO
Bruce Simon, Chairman		X
Paul Sliter, Vice Chairman		X
Bob Pavlovich, Vice Chairman	X	
Joe Barnett		X
Rod Bitney		X
Sylvia Bookout	X	
Charles Devaney		X
David Ewer		X
Kim Gillan	X	
Billie Krenzler	X	
Bob Lawson	X	
Rod Marshall		X
Gay Ann Masolo		X
Wes Prouse		X
Carolyn Squires	X	
Jay Stovall		X
Cliff Trexler		X
Joe Troplia	X	
Carley Tuss	X	